

## **Minutes of the Finance Committee**

**Wednesday, May 5, 2004**

Chair Haukohl called the meeting to order at 8:46 a.m.

**Present:** Supervisors Pat Haukohl (Chair), Joe Marchese, Bonnie Morris, and Don Broesch. Jim Behrend arrived at 8:51 a.m. and Broesch left at 11:30 a.m. **Absent:** Genia Bruce and Ken Herro.

**Also Present:** Legislative Policy Advisor Mark Mader, Chief of Staff Lee Esler, Parks Systems Manager Jim Kavemeier, Enterprise Operations Manager Pete Pulos, Principal Financial Projects Analyst Bob Ries, Budget Manager Keith Swartz, Senior Financial Analyst Andy Thelke, and Budget Specialist Linda Witkowski.

### **Announcements**

Dwyer congratulated the committee members and thanked them for accepting their committee assignments. He asked supervisors to contact Chair Haukohl or the County Board Office if they cannot attend a meeting or will be late.

### **Executive Committee Report**

Haukohl advised of the following issues discussed at the last Executive Committee meeting.

- Heard some tax intercepts which were denied.
- Heard a presentation on a UW-Extension grant application to continue funding for the Saratoga/White Rock after school enrichment program, and to add another school. Haukohl said the program has been a success and, therefore, the federal government has approved additional funding.
- Reviewed the 2003 annual report of the Federated Library System. Also, an ordinance will be forthcoming to charge non-library communities for capital costs.

Behrend arrived at 8:51 a.m.

- Reviewed the internal audit on the Licensing Program in the Environmental Health Division. The audit primarily focused on the licensing of food establishments. More responsibilities in this area may be shifted from the State to the counties and if TABOR (Taxpayer's Bill of Rights) is adopted, this would cause funding problems.

### **Schedule Next Meeting Dates**

May 19<sup>th</sup>

### **Announcements**

Haukohl said the Wisconsin Counties Association (WCA) is working on a resolution to give counties more leverage with landfill host fees. Also, she will be attending a WCA Southeast District meeting today in Kenosha where TABOR issues will be discussed.

### **Correspondence**

Copies of “An Elected Officials Guide to Fund Balance and Net Assets” (new and revised) from Administration Director Norm Cummings were distributed to the committee. Also distributed were copies of the Committee’s reports schedule.

### **Discuss Committee Duties and Responsibilities as Contained in the County Code of Ordinances**

Esler discussed the duties and responsibilities of the Finance Committee as outlined in the County Code which include budget and policy oversight for the Administration Department and County Treasurer; review and approve proposed county budgets and consider amendments; approve budget transfers; consider county legislation, in particular, those with fiscal implications; act on liability claims against the county and authorize settlements up to \$10,000; make recommendations on financial implications related to personnel matters; oversight of fixed assets disposal, care, and inventory; etc.

### **Elect Secretary and Vice Chair**

MOTION: Marchese moved, second by Behrend to elect Broesch as vice chair. Motion carried 5-0.

MOTION: Marchese moved, second by Behrend to elect Morris as secretary. Motion carried 5-0.

### **Ordinance 159-O-008: Establish Pay for Clerk of Juvenile Court**

This ordinance was tabled by the Personnel Committee.

### **Ordinance 159-O-001: Authorization of a Land Exchange Between Waukesha County and the Town of Merton**

Kavemeier discussed this ordinance as outlined. The County currently owns a parcel acquired in 1998 (Baumgartner property acquisition ordinance). As part of that ordinance, the Town of Merton contributed \$50,125 for the acquisition and was authorized to use a portion of the parcel for Town park purposes. Today’s ordinance transfers approximately 20 acres of the County’s (Baumgartner) parcel in exchange for approximately 24.3 acres owned by the Town.

The current estimated value of the County property exchanged is \$285,000 and the Town’s property is \$234,875. The \$50,125 variance between the parcels exchanged reflects the Town of Merton’s original contribution toward the Baumgartner acquisition. The estimated appraisal, survey, and closing costs are \$6,475 and will be shared equally between the Town and the County. The County’s portion of \$3,238 is available in the Tarmann Parkland Acquisition Fund.

Kavemeier said the exchange is consistent with the Parks & Open Space Plan. He advised we are currently negotiating the purchase of adjoining land and that other adjoining land is already County-owned.

MOTION: Behrend moved, second by Broesch to approve ordinance 159-O-001. Motion carried 5-0.

**Ordinance 159-O-002: Authorize the Development of a County Operated Adult Hockey League and Create Revenue and Expenditure Budgets for the Waukesha County Ice Arenas**

Pulos said they are requesting to increase their expenditure and revenue budgets by \$36,000 to coordinate a new adult hockey league for the two County-owned ice arenas. The two arenas are self-sufficient whereby they do not require any tax levy support. About 80% of their revenues are generated by contracted ice (third party entities renting the ice from the County) while public skating generates the remaining 20%. Pulos advised that a third party entity has been organizing an adult hockey league and participation has decreased about 30% to 40% in the last several years. Pulos noted that the department wants to be more aggressive with regards to their marketing strategy.

League participants have asked the County to take over the league and they anticipate the number of teams will increase for this coming fall/winter season. The current organizer is charging \$6,700 per team. Pulos said the County can decrease this amount by \$1,500. The appropriation authority would be for September through December of 2004 even though the league goes into March or April of 2005. This difference will be budgeted for in the 2005 budget.

Marchese said he would support the ordinance but had reservations due to the past history of these facilities losing money. Pulos distributed information on program costs including ice fees, trophy fees, total league fees, cost per team, cost per player, etc. Pulos said user fees will offset all expenses. Haukohl said we'll want to pay close attention to this and that these fees be kept at a reasonable level – less than what they're paying now. Pulos said we want to position ourselves appropriately. The industry is moving in an in-house programming direction and that's what we want to do here too rather than rely on someone else to make a profit off of us. He added that the teams are excited about the County taking this over and the teams are committed.

MOTION: Behrend moved, second by Morris to approve ordinance 159-O-002. Motion carried 5-0.

**1<sup>st</sup> Quarter Investments Status Report**

Ries discussed his reports as outlined which included information on valuation at cost and valuation at market, 1997-2004 summary of County investments, the County's investment portfolio, total investment income and balances, etc. Ries said the return for the 4<sup>th</sup> quarter of 2003 decreased from 0.75% to 0.69%. This decrease is largely a function of a significant increase in the money fund balances, primarily the State Investment Pool. These investments are presently the lowest yielding in the County's portfolio, with a return of around 1%. Money fund balances averaged \$27.6 million in the 4<sup>th</sup> quarter and averaged \$45.9 million in the 1<sup>st</sup> quarter – an increase of \$18.3 million. The overall return on investments for the County for the last four quarters was 2.97%. Total interest earnings for the 4<sup>th</sup> quarter were \$1,220,887.

**Year-End Special Revenues Report**

Swartz, Thelke, and Witkowski discussed this report as outlined entitled "2003 Budget Monitoring Summary Report – Special Revenue Operations." Preliminary unaudited year-end combined special revenue funds results showed expenditures, including purchase order and

carryover obligations, at \$93.3 million with a remaining expenditure balance of \$3.8 million or 3.9% below the modified expenditure budget of \$97.1 million. Combined year-end revenues after including allowances for fund balance budgeted for open purchase orders and approved carryovers were at \$76.3 million or \$166,764 less than the 2003 modified budget. Thelke reviewed the Health & Human Services funds.

Broesch left the meeting at 11:30 a.m.

Witkowski reviewed the remaining funds.

**Meeting Approvals**

MOTION: Behrend moved, second by Morris to approve mileage for Marchese's attendance to the Public Works Committee meeting(s) when they discuss labor management and the highway department. Motion carried 4-0.

MOTION: Behrend moved, second by Marchese to adjourn at 11:45 a.m. Motion carried 4-0.

Recorded by Mary Pedersen, Legislative Associate.

Respectfully submitted,

Bonnie J. Morris  
Secretary